

1/31/01

**THIS DISPOSITION  
IS NOT CITABLE AS PRECEDENT  
OF THE T.T.A.B.**

Omelko

**UNITED STATES PATENT AND TRADEMARK OFFICE  
Trademark Trial and Appeal Board  
2900 Crystal Drive  
Arlington, Virginia 22202-3513**

Cancellation No. 28,996

Backtrack Reports, Inc.

v.

Backtrack, Inc.,  
substituted for  
Robert L. Gandee

Before Hanak, Quinn and Rogers,  
Administrative Trademark Judges.

By the Board:

Backtrack Reports, Inc. ("petitioner") seeks to cancel the registration of Backtrack, Inc. ("respondent") for the mark BACKTRACK for "employment screening and background investigation services."<sup>1</sup> As grounds set forth in its petition to cancel, petitioner asserts that before the February 7, 1994 filing date<sup>2</sup> of application Ser. No. 74/487,552, (the underlying application for the involved registration),<sup>3</sup> petitioner has used BACKTRACK in connection

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<sup>1</sup> Registration No. 1,880,015 issued on February 21, 1995.

<sup>2</sup> Contingent on registration on the principal register, the filing date of an application to register constitutes constructive use of the mark in connection with the services specified. See Section 7(c) of the Trademark Act.

<sup>3</sup> This application was based on respondent's bona fide intention to use the mark in commerce in connection with the specified services. See Section 1(b) of the Trademark Act. Prior to publication of the mark for opposition, respondent filed an allegation of use of the mark BACKTRACK in commerce in connection with employment screening and background investigation services, and claiming dates of first use and first use in interstate commerce on April 15, 1994.

with background investigation services; and that respondent's mark, when used on its identical services, so resembles petitioner's mark, as to be likely to cause confusion, mistake or deception.

Respondent, in its answer, denies the salient allegations of the petition to cancel.

This case now comes before the Board for consideration of petitioner's motion for summary judgment on the grounds of priority and likelihood of confusion under Section 2(d) of the Trademark Act. The motion is fully briefed.

In support of its motion for summary judgment, petitioner essentially argues that respondent is relying on the February 7, 1994 application filing date for purposes of priority; that petitioner began using the BACKTRACK mark in connection with the solicitation of background investigation services in October 1993, and entered into a contract for providing such services on November 23, 1993; that petitioner entered into twelve additional contracts to provide background investigation services between November 23, 1993 and January 7, 1994; that petitioner's background investigation services include employment screening; that petitioner's use of the mark in connection with providing background investigation services has been continuous since at least as early as November 23, 1993; that petitioner has spent in excess of \$50,000 for advertising and promotion of

its mark; that petitioner's president has authored various articles which included references to petitioner and its mark; and petitioner's mark is identical to the mark in the involved registration and petitioner's services are identical to the services set forth in the involved registration.

Petitioner has submitted the declaration of Randy Shain, president of petitioner since its inception. The pertinent paragraphs of the declaration read as follows:

- 2 If called as a witness, I could testify to the facts set forth herein from personal knowledge or my review of our company records kept in the ordinary course of business.
- 3 Reports, Inc. . . .has been using the BACKTRACK mark in connection with background investigation services, including employment screening, since prior to February 7, 1994, the filing date of the application which issued as Registration No. 1,880,015.
- 4 Backtrack Reports, Inc. was incorporated in the State of New York on October 20, 1993. . . .
- 5 Our company. . .originally set up offices. . .in November 1993. . . . We immediately commenced solicitation of background investigation services. . . .
- 6 Due to New York State regulations, a signed contract between our company and the client is required prior to commencement of our services. Our earliest contract with a client which we were able to locate is dated November 23, 1993.
- 7 It is the practice of Petitioner to proceed with the requested background investigation immediately after receiving the signed contract, with an oral report furnished in less than one week.
- 8 Our background investigation generally includes computerized on-line research as well as news source searches, court and public records searches and personal interviews.
- 9 Background Reports, Inc. continuously employed the BACKTRACK mark in soliciting business since October 1993 and in connection with actually providing

background investigation services since at least as early as November 23, 1993 to the present date.

In addition, petitioner has submitted a copy of the involved registration certificate; a copy of its New York Department of State corporate filing receipt, dated October 20, 1993; copies of contracts on company letterhead with the BACKTRACK mark appearing thereon, (Exhibit C shows the earliest date of November 23, 1993); a copy of promotional literature entitled "THE VALUE OF BACKTRACK" which includes "information on the different resources utilized in [petitioner's] background investigation searches"; a copy of promotional literature entitled "WHAT BACKTRACK CAN DO FOR YOU"; a copy of a previous advertising brochure; a copy of a recent advertisement; and copies of articles authored by Randy Shain in Mergers & Acquisitions Report and The Secured Lender.

In response to the motion for summary judgment, respondent concedes that the marks are similar, but essentially maintains that there are disputed material facts relative to petitioner's alleged priority of use and the likelihood of confusion between petitioner's and respondent's marks. "Specifically, issues of fact remain regarding the exact nature of the services offered by petitioner under the mark BACKTRACK, the channels of trade through which those services are offered, and whether petitioner offered services similar to those of respondent

prior to respondent's filing for registration of the mark BACKTRACK." (Respondent's brief at page 1.)

In support of its position, respondent has submitted the declaration of Robert L. Gandee, the president and founder of respondent. The pertinent paragraphs of the declaration read as follows:

- 9 Based on evidence provided in the documents produced by Petitioner, it is my belief that the reason no actual confusion has occurred and the respective parties were unaware of each other's existence, is due to the fact that the services provided by Petitioner are different than the services provided by Respondent.
- 10 . . . . Respondent's customers are typically human resource personnel or employees of personnel departments. Services provided by the Petitioner appear to be directed at investigations made in connection with mergers and acquisitions or services provided in connection with due diligence conducted prior to acquisition. . . .

In addition, respondent has submitted petitioner's responses to several of respondent's interrogatories; a copy of the involved registration; and a "service sheet" and a promotional folder representative of promotional literature used by respondent in promoting its services since April 15, 1994.

Respondent argues that, with respect to priority of use, "[p]etitioner has not produced an exhibit which conclusively defines the nature of its services prior to February 7, 1994." (Respondent's brief at page 3.)

In addition, respondent argues that the respective services are different because "[p]etitioner provides

background investigation services on upper management of corporations which are the target of merger or acquisition.

. . .The background investigation searches performed by Respondent are routine background checks on candidates for employment used in screening of those candidates, not for use in determining whether the candidate's present employer is a good target for an acquisition or merger."

Furthermore, respondent contends, the price of the services of respondent are \$70, as compared to the over \$1000 cost of petitioner's services. (Respondent's brief at page 7.)

Respondent also argues that the respective channels of trade are different because "[p]etitioner appears to target financial institutions and venture capitalists interested in completing mergers and takeovers. Respondent targets personnel departments of companies in the process of screening employment candidates." (Respondent's brief at page 7.)

Finally, respondent argues that there has been no actual confusion between the marks.

Respondent concludes that summary judgment is not appropriate because petitioner has not met its burden of showing that no genuine issues of fact remain to be determined.

In reply, petitioner essentially argues that "Respondent's arguments are premised upon apparent

differences between the nature of Petitioner's services, its distribution channels, and pricing of the services vis-à-vis Respondent's actual services, distribution channels and pricing." (emphasis in original) Secondly, with regard to priority of use, petitioner notes that the nature of petitioner's services and priority of first use are set forth in the Shain declaration and are documented in the supporting exhibits attached thereto.

Summary judgment is an appropriate method of disposing of cases in which there are no genuine issues of material fact in dispute, thus leaving the case to be resolved as a matter of law. See Fed. R. Civ. P. 56(c). The party moving for summary judgment has the initial burden of demonstrating the absence of any genuine issue of material fact. See *Celotex Corp. v. Catrett*, 477 U.S. 317 (1986), and *Sweats Fashions Inc. v. Pannill Knitting Co.*, 833 F.2d 1560, 4 USPQ2d 1793 (Fed. Cir. 1987). A factual dispute is genuine, if, on the evidence of record, a reasonable finder of fact could resolve the matter in favor of the non-moving party. See *Opryland USA Inc. v. Great American Music Show Inc.*, 970 F.2d 847, 23 USPQ2d 1471 (Fed. Cir. 1992), and *Olde Tyme Foods Inc. v. Roundy's Inc.*, 961 F.2d 200, 22 USPQ2d 1542 (Fed. Cir. 1992). The evidence must be viewed in a light most favorable to the non-movant, and all justifiable inferences are to be drawn in the non-movant's favor. See

*Lloyd's Food Products Inc. v. Eli's Inc.*, 987 F.2d 766, 25 USPQ2d 2027 (Fed. Cir. 1993), and *Opryland USA*, *supra*.

After a careful review of the record in this case, we find that there are no genuine issues of material fact and that petitioner is entitled to judgment as a matter of law.

We will first dispense with respondent's claim that summary judgment is not appropriate here. In support of this statement, respondent argues:

Petitioner has not demonstrated, based on undisputed facts, that it has priority of use and that a likelihood of confusion between the marks exists. Additional facts such as the specific nature of Petitioner's alleged prior use of the mark, Petitioner's services under the mark and the channels of trade in which Petitioner's mark is used along with facts pertinent to the other *du Pont*<sup>4</sup> factors on the issue of likelihood of [confusion] need to be made of record. Petitioner must provide these facts either through the production of additional evidence or through testimony. Because additional facts are necessary for Petitioner to complete its case as a matter of law, summary judgment is not appropriate. (citation omitted)

It appears that respondent is claiming that petitioner has not met its burden of proving that there are no genuine issues of material fact remaining.

As to the question of priority, we note that petitioner has submitted evidence by declaration that it has been using the BACKTRACK mark in connection with background investigation services, including employment screening services, since prior to the February 7, 1994 filing date of

the application which matured into the involved Registration No. 1,880,015. Petitioner has supported its declaration with, among other things, copies of contracts showing dates prior to respondent's constructive first use date.

Respondent has not submitted any evidence to contradict petitioner's declaration that it has been using the BACKTRACK mark in connection with background investigation services, including employment screening, i.e., the services identified in respondent's registration, since prior to respondent's filing date. *See Sweats Fashions, supra*, at 1795 ("Where a movant has supported its motion with affidavits or other evidence which unopposed, would establish its right to judgment, the non-movant. . . must proffer countering evidence sufficient to create a genuine factual dispute.").

Respondent's argument that "[p]etitioner has not produced an exhibit which conclusively defines the nature of its services prior to February 7, 1994" is without merit. An affidavit or declaration may be submitted in support of a motion for summary judgment provided that it (1) is made of personal knowledge; (2) sets forth such facts as would be admissible in evidence; and (3) shows affirmatively that the affiant is competent to testify to the matters stated

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<sup>4</sup> *See In re E.I. du Pont de Nemours & Co.*, 177 USPQ 563 (CCPA 1973).

therein. This is so even though affidavits and declarations are self-serving in nature, and even though there is no opportunity for cross-examination of the affiant. See *GAF Corp. v. Anatox Analytical Services, Inc.*, 192 USPQ 576, 577 (TTAB 1976); see also *Clubman's Club Corp. v. Martin*, 188 USPQ 455, 458 (TTAB 1975) ("It has been consistently held that the oral testimony of a witness may be competent in and of itself to establish. . .prior. . .use of a mark.") Mr. Shain's declaration is in compliance and respondent has not submitted any evidence to contradict Mr. Shain's declaration. Petitioner has met its burden of proof and we find no genuine issue as to petitioner's priority of use of the mark BACKTRACK.

As to the question of likelihood of confusion, we find that there is no genuine issue of material fact for trial. The services identified by the mark in respondent's Registration No. 1,880,015 are "employment screening services and background investigation services." Petitioner has declared that it provides "background investigation services, including employee screening services," under a virtually identical mark. Though respondent contends the respective channels of trade and the class of purchasers may be different for respondent and petitioner, the Board must look to the services as described in the involved registration. The services set forth in the involved

registration contain no limitations as to the scope of the services or any restrictions as to marketing channels or classes of customers. See *Octocom Systems Inc. v. Houston Computers Services Inc.*, 16 USPQ2d 1783 (CAFC 1990).

Finally, respondent's argument that there has been no evidence of actual confusion is not persuasive. The criterion for cancellation under Section 2(d) of the Trademark Act is likelihood of confusion, not actual confusion. Whether there has been actual confusion is only one factor when considering the question of likelihood of confusion. See *On-line Careline Inc. v. America Online Inc.* 56 USPQ2d 1471 (Fed. Cir. 2000). Petitioner has met its burden of proof and we find no genuine issue as to likelihood of confusion between petitioner's mark and respondent's mark.

We find that there are no genuine issues of material fact as to priority or likelihood of confusion, and that petitioner is entitled to judgment as a matter of law. In view thereof, petitioner's motion for summary judgment is granted, judgment is entered against respondent, and Registration No. 1,880,015 will be cancelled in due course.